

CHAPTER 9

FINANCIAL PROVISIONS AND PROCEDURES

Section 1 Finance Committee

9-1-1 A Finance Committee of nine members shall be appointed by the moderator for three-year overlapping terms. Three members shall be appointed annually.

9-1-2 Any person duly appointed to the Finance Committee shall take up the duties of the office upon the final adjournment of the annual town meeting, provided that he first shall have been sworn to the faithful performance of his duties by the Town Clerk.

9-1-3 Vacancies in the Finance Committee shall be filled by the moderator within thirty days after he has been notified, in writing, of the vacancy on the board. Any person appointed to fill out an unexpired term shall take up the duties immediately, provided that he first shall have been sworn to the faithful performance of his duties by the Town Clerk.

9-1-4 No member of the Finance Committee shall hold any other elected or appointed town office.

Section 2 Submission of Budget and Budget Message

9-2-1 On or before the first day of October of each year, the Town Manager shall request and receive from the director of finance and the assessor (solicitor) the estimated revenues for the ensuing fiscal year.

9-2-2 Upon receipt of any additional specific fiscal data provided by the Commonwealth, such estimates shall be revised, updated, and submitted forthwith to the Town Manager.

9-2-3 On or before the first day of November of each year, the Board of Selectmen, after consulting with the Town Manager, shall issue a policy statement relating to the budget for the ensuing fiscal year. The statement shall establish the outer limits of possible budget growth for the town.

9-2-4 All department heads, boards, committees, and commissions, shall submit their budget requests to the Town Manager at least one hundred and twenty days before the date of the annual town meeting or at an earlier time, as directed by the Town Manager. The Town Manager shall forward such budget requests to the Finance Committee forthwith.

9-2-5 At least ninety days prior to the scheduled date of the annual town meeting, the Town Manager shall submit to the Board of Selectmen and the Finance Committee a comprehensive budget for all town functions for the ensuing fiscal year and an accompanying budget message.

9-2-6 The budget message shall explain the budget both in fiscal terms and in terms of what specific projects are contemplated in the year ahead. It shall: (a) outline the proposed financial policies of the town for the ensuing fiscal year; (b) describe the important features of the budget; (c) indicate any major changes for the current year in financial policies, expenditures, and revenues, together with the reason for such changes; (d) summarize the town's debt position; and (e) include such other material as the Town Manager may deem appropriate.

9-2-7 The budget shall provide a complete financial plan for all town funds and activities and shall be in such format as the Finance Committee may suggest, provided the format suggested is compatible with the standards recommended by the state association of Finance Committees. The budget shall indicate proposed expenditures for both current operations and capital projects during the ensuing fiscal year, detailed by divisions, departments, offices, boards, commissions, committees, and specific purposes and projects.

Section 3 Action on Proposed Budget

9-3-1 The Board of Selectmen shall within thirty days adopt the budget, with or without amendments, and submit it to the Finance Committee. The Board of Selectmen shall also transmit the budget request of the School Committee to the Finance Committee.

9-3-3 The Board of Selectmen shall be responsible for presenting the budget to the town meeting.

Section 4 Budget Adoption

9-4-1 The town meeting shall adopt the budget, with or without amendments, prior to the beginning of the fiscal year.

Section 5 Capital Improvements Plan

9-5-1 The Town Manager shall prepare a five-year capital improvements plan which shall include: (a) a clear summary of its contents; (b) a list of all capital improvements proposed to be undertaken during the next five years, together with supporting data; (c) cost estimates, methods of financing, and recommended time schedules; and (d) the estimated annual cost of operating and maintaining the facilities or equipment to be contracted or acquired. The above information may be revised and shall be extended each year with regard to capital improvements pending or in the process of construction or acquisition.

9-5-2 The capital improvements plan shall be submitted to Board of Selectmen at least one hundred and fifty days prior to the date of the annual town meeting. The board shall act thereon within thirty days and shall then submit it to the Finance Committee, which shall issue its recommendations as part of the annual Finance Committee report.

Section 6 Notice of Public Hearing on Capital Improvements Plan

9-6-1 The Finance Committee shall conduct at least one public hearing on the proposed budget and Capital Improvements Plan and shall issue printed recommendations and detailed explanations on all financial articles including the Operating Budget and the Capital Improvements Plan in an Annual Finance Committee report, which shall be mailed or distributed to the residences of all registered voters at least ten days prior to the scheduled date of the Annual Town Meeting. In preparing its recommendations, the Committee may require the Town Manager, any town division, department, office, board, commission or committee to furnish it with appropriate financial reports and budgetary information.

9-7-1 At least ninety days before the end of the fiscal year, the Board of Selectmen shall retain a certified public accountant or accounting firm to conduct an audit of all accounts, books, records and financial transactions of every division, department, office, board, commission or committee of the town and to file its report within one hundred and twenty days after the end of the fiscal year.

9-7-2 A copy of every auditor's report shall be filed with the Town Clerk, shall be a public record, and a summary thereof shall be published in the next Annual Town Report.

Section 8 Limit on Spending

9-8-1 In the final month of any fiscal year no division, department, commission, office, or agency may expend, except for amounts previously encumbered, more than one-twelfth of its annual appropriation unless such expenditures have been previously approved by the Finance Committee.